

CHARTER
DEPARTMENT OF DEFENSE MEDICARE-ELIGIBLE
RETIREE HEALTH CARE BOARD OF ACTUARIES

- A. Official Designation: The Committee shall be known as the Department of Defense Medicare-Eligible Retiree Health Care Board of Actuaries (hereafter referred to as the Board).
- B. Objectives and Scope of Activities: The Board, under the provisions of 10 U.S.C § 1114, and the Federal Advisory Committee Act of 1972, as amended, shall advise and assist the Secretary of Defense on actuarial matters associated with the Department of Defense Medicare-Eligible Retiree Health Care Fund (hereafter referred to as the Fund).

The Board, under the authority of 10 U.S.C. § 1114, shall –

1. Report annually to the Secretary of Defense on the actuarial status of the Fund;
 2. Review valuations of the Fund and report periodically, but not less than once every four years, to the President and the Congress on the status of the Fund to include recommendations for such changes as in the Board's judgment are necessary to protect the public interest and maintain the fund on a sound actuarial basis;
 3. Furnish advice and opinion on matters referred by the Secretary of Defense; and
 4. Advise the Secretary of Defense on all actuarial matters necessary to make determinations in order to finance liabilities of the Fund on an actuarially sound basis.
- C. Board Membership: The Board shall be composed of not more than three Board Members appointed by the Secretary of Defense from among qualified professional actuaries who are members of the Society of Actuaries. The Chairperson of the Board shall be designated by the Under Secretary of Defense (Personnel and Readiness), on behalf of the Secretary of Defense.

The Board Members shall serve for a term of 15 years; except those Board Members appointed to fill a vacancy occurring before the end of the term for which the predecessor was appointed shall serve only until the end of such term. Board Members may serve after the end of the term until a successor has taken office. No Board Member, other than those originally appointed for less than a 15-year term or a Board Member appointed to fill an unexpired term may not be reappointed for successive terms.

Board Members appointed by the Secretary of Defense, who are not Federal officers or employees, shall serve as Special Government Employees under the authority of 5 U.S.C. § 3109, and shall, under the authority of 10 U.S.C. § 1114(a)(3), serve with

compensation, to include travel and per diem for official travel. A Board Member may be removed by the Secretary of Defense for misconduct or failure to perform functions vested in the Board, and for no other reason.

The Department of Defense shall provide non-voting advisors to assist the Board Members in the execution of their official duties; however, these advisors shall not exercise any undue influence or interfere with the independent nature of the Board or the Board Members. The DoD advisors to the Board shall include the:

- a. Defense Chief Actuary, who shall also serve as the Board's Executive Secretary;
- b. Under Secretary of Defense (Comptroller) or designee;
- c. Assistant Secretary of Defense for Health Affairs or designee;
- d. Assistant Secretary of Defense for Reserve Affairs or designee; and
- e. General Counsel for the Department of Defense or designee.

- D. Board Meetings: The Board shall meet at the call of the Designated Federal Officer, in consultation with the Chairperson, and the estimated Board Meetings are one per year. The Board is authorized to establish Subcommittees or Working Groups, as necessary, to fulfill its mission, and these Subcommittees or Working Groups shall operate under the provisions of the Federal Advisory Committee Act of 1972, as amended.

Such Subcommittees or Working Groups shall not work independently of the chartered Board, and shall report their recommendations and advice to the Board for full deliberation and discussion. Subcommittees or Working Groups have no authority to make decisions on behalf of the chartered Board nor can they report directly to the Agency or any Federal officers or employees who are not Board Members.

- E. Duration and Termination of the Board: The need for this advisory function is on a continuing basis; however, it is subject to renewal every two years.
- F. Agency Support: The Department of Defense, through the Under Secretary of Defense (Personnel and Readiness), shall provide support as deemed necessary for the performance of the Board's functions, and shall ensure compliance with the requirements of 5 U.S.C. Appendix, as amended. Additional support, as deemed necessary by the Under Secretary of Defense (Personnel and Readiness), may be provided from other DoD activities.
- G. Operating Costs: It is estimated that the annual operating costs, to include travel costs, consultant fees, and contract support, are \$80,000.00. The estimated annual personnel costs to the Department of Defense are 0.5 full-time equivalents (FTEs).
- H. Charter Filed: December 22, 2006